

MOTHBALLED BROWNFIELDS: SUCCESSFUL APPROACHES TO REVITALIZATION



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INTRODUCTION

A mothballed brownfield is a property where the property owner is unwilling or unable to transfer the brownfield or put it into productive reuse. Mothballed brownfields, like most brownfields, cause blight to neighborhoods, inhibit economic development, threaten public health and the environment, discourage productive reuse of infill areas, and encourage urban sprawl. Mothballed properties may pose particular problems to communities when these stagnant properties inhibit broader redevelopment or revitalization initiatives that cannot be successfully completed without addressing “holdout” brownfield properties.

The United States Conference of Mayors reports that mothballed brownfields remain the toughest brownfields barrier to local leaders. The National Brownfield Association issued a study, “Bringing Corporate Brownfield Properties to Market,” that concludes that property owners need additional comfort, and a “redevelopment partnership” approach to brownfields, before many will transfer these properties. A study by the National Center for Neighborhood and Brownfields Redevelopment at Rutgers University on the impact of mothballed industrial properties on urban redevelopment, finds that 40 percent of cities in its study have at least one mothballed brownfield. The study also concludes that about half of the municipalities with mothballed properties consider these properties to be a serious detriment to urban redevelopment. The Rutgers study found mothballed brownfields to be particularly challenging for communities where these properties are located in prime downtown redevelopment areas, along waterfronts, and near important public facilities such as schools.

SUMMARY OF CASE STUDY SUCCESS STORIES

Despite the many challenges that communities face in attempting to redevelop mothballed properties, increasing examples are emerging where property owners are working in collaboration with local communities, regulators, redevelopers, and other stakeholders to overcome the barriers to reusing mothballed brownfields. The following are summaries of four case studies that illustrate successful approaches to the cleanup and reuse of mothballed brownfield properties.

CASE STUDY 1: GENERAL MOTORS REVS UP OLD MANUFACTURING SITES FOR REVITALIZATION

American manufacturing icon General Motors has large manufacturing properties throughout the United States. As the industry has changed over past decades, many of these sites have ceased operating, and some are sitting idle and contaminated. Traditionally the GM approach at these sites was to conduct remediation with in-house technical staff while a separate real estate staff worked to sell the sites. GM recently adopted a new approach that includes partnering with local governments and the private sector to move unused properties back into revitalization on more expedited timeframes. Success stories are beginning to emerge, including the revitalization of former GM sites in two cities – Anderson, Indiana and Baltimore, Maryland.

Anderson, Indiana

GM Boomtown Loses Manufacturing – For most of the 20th Century, Anderson, Indiana was known as a booming economic and industrial area. In 1918, the General Motors Company headquartered its Delco Remy division in Anderson and the City soon became one of the leading electromechanical technology centers in the world. General Motors and automotive parts manufacturing employment opportunities reached its peak in the City in the early 1970s and at one time provided more than 27,000 jobs in Anderson. Today, General Motors has divested nearly all of its interests by selling operating businesses, shuttering, and in some cases completely demolishing, its former manufacturing facilities in Anderson. In addition, one of GM's spin off companies, an automotive lighting manufacturer, Guide Corporation, shuttered its Anderson plant at the end of 2006, eliminating 1,300 jobs in the City. This closing, along with the anticipated 2008 closing of the last Delphi facility in Anderson, marks the end of a lengthy exit process by General Motors and automobile manufacturing. Over the years, these closings resulted in the relocation or complete elimination of thousands of well paying jobs in Anderson, a link that directly corresponds to a consistent trend of declining population in the community. In December 2006, the Office of Federal Housing Enterprise Oversight released data ranking Anderson last in year-over-year drops in the housing market across the nation. Anderson had a negative six percent change in housing stock.

Local Government Leadership Makes Redevelopment and Collaboration a Priority – The City of Anderson's future will depend in large part on the revitalization of the former GM properties. While historically the relationship between the City and GM regarding these properties was somewhat contentious, the emergence of new political leadership in 2004 led to a positive and collaborative partnership with GM that included a commitment to moving the GM properties toward revitalization. This commitment resulted in the empowerment of City staff and the devotion of resources to these challenges. The City of Anderson also entered into a new partnership with GM, focusing on collaboration. Key aspects of the partnership approach leading to the successful reuse of GM properties in Anderson are outlined below.

GM Transfers Key Properties to City – GM agreed to transfer 300 key acres in the downtown area to the City of Anderson in November 2006. This property was subject to a RCRA corrective action remedy that had been completed, thereby preparing the sites for potential reuse. The sales and transfer agreement creates a sophisticated arrangement under which risk of contamination is allocated between GM, the City and redevelopment parties, residential reuse is prohibited under institutional controls, and GM is granted the ability to review and consent to redevelopment plans in order to ensure that reuse is consistent with the agency approved remediation..

Innovative Redeveloper – In August 2007, the City of Anderson awarded an agreement to a national brownfields redevelopment firm, P&L Investments and its partner the Value Recovery Group, to aggressively redevelop these sites for new commercial and light industrial economic investment. The redevelopment agreement includes an innovative approach under which the developer will share profit revenues with the City on a scale determined by how many local jobs are created – the more jobs, the more profit the developer retains. It was clear that the success of this effort was boosted by the involvement of a sophisticated and experienced brownfields redeveloper.

Key Roles of U.S. EPA – The City of Anderson credits EPA’s Brownfields Program with contributing to its emerging success. After Mayor Smith made a commitment to pursue brownfields revitalization, the City of Anderson sought EPA assessment grant funding to obtain the resources and build the capacity to manage brownfields challenges. When Anderson was awarded an assessment grant, the City used it and other resources to conduct aggressive outreach to brownfields stakeholders. Anderson officials credit their participation in the annual EPA Brownfields Conference as instrumental in introducing City officials to federal, private sector, and finance partners that are now involved in the revitalization effort. Anderson emphasizes the “team approach” and significant technical assistance provided by EPA Region 5 and headquarters brownfields staff. Anderson also encourages EPA to continue to promote a collaborative, reuse driven approach to contaminated sites throughout all waste programs, including CERCLA, RCRA, petroleum sites, and brownfields.

Bright Prospects for Reuse – The City of Anderson is optimistic about its prospects for economic revitalization, beginning with the redevelopment of the GM properties. The combination of persistent local leadership, a collaborative approach with GM, an innovative transfer agreement, a sophisticated developer, and the team oriented support of EPA brownfields staff and resources made a positive difference in the future of Anderson.

Chesapeake Commerce Center in Baltimore, MD

In Baltimore, a partnership among General Motors, redevelopers, and local, state, and federal officials is showcasing the potential value of the collaborative brownfields approach at a closed GM manufacturing site. In the case of its assembly plant in Baltimore, GM adopted an expedited and proactive process to move the property toward redevelopment very soon after the plant was closed. The keys to success for the GM property in Baltimore illustrate factors that may be transferable to mothballed sites owned by other corporate entities.

GM owned and operated an assembly plant in Baltimore for 68 years, producing every type of GM car from the Impala to the Pontiac GTO. When GM shut down the plant in 2005, the company knew it had to satisfy its state and federal hazardous waste management obligations. GM also knew that environmental impacts existed on the site and that a cleanup plan would be

necessary. GM met with EPA Region 3 and Maryland Department of Environment representatives to assure them that GM would retain a developer who would take on responsibility for the clean up of the site as part of the redevelopment. GM officials also assured regulators that GM would stay involved in the cleanup process to assure the developer met all remedy commitments. EPA Region 3's Facility Lead Program and MDE's Voluntary Cleanup Program provided an ideal framework for this situation.

GM focused initially on finding a strong redevelopment partner to drive reuse. GM asked 28 development teams to submit proposals for the property. In January 2006, GM selected Duke Realty Corporation, as the developer for the Baltimore property. As in the case in Anderson, the presence of a sophisticated and experienced brownfields redeveloper proved to be critical to success of the project.



Aerial photograph of GM Plant in Baltimore, MD

The approach adopted by GM and Duke Realty focused on a collaborative approach with U.S. EPA, the Maryland Department of Environment, and other parties. Duke developed a comprehensive cleanup matrix and master schedule, and approached EPA and MDE to propose a facility lead RCRA cleanup approach. The state and federal regulators responded in kind with collaboration and streamlined administrative procedures, setting up an intergovernmental team that met often to work out the details of a streamlined cleanup process that met both federal and state program goals. This collaborative group focused on the cleanup matrix and master schedule and on the commercial reuse scenario to drive decisions on remedy and institutional and engineering controls. Duke and its partners also committed to conducting early and substantial community outreach on the site redevelopment vision. As described by EPA Region 3 Administrator Donald Welsh, “Although it may require more effort at the outset, by working collaboratively with the owners, developers, and the impacted neighborhoods, EPA can streamline the environmental cleanup process so redevelopment takes less time to complete, but still ensure the highest environmental standards.”

The groundbreaking for the Chesapeake Commerce Center took place in the summer of 2006. Duke Realty plans to invest more than \$140 million in the redevelopment of the site. When the entire redevelopment is complete, there will be 16 buildings encompassing 2.8 million square feet. The project is expected to create thousands of new jobs over the next ten years.

The redevelopment of its Baltimore property represents a new way of thinking about unused properties for General Motors. While historically GM held onto unused properties and typically insisted on conducting remediation with in-house resources during and after site transfer, in this case GM worked collaboratively with the parties to allow an innovative redeveloper to take on those responsibilities. GM retains certain responsibilities and remains liable under CERCLA and RCRA as a responsible party. However, requiring the developer to conduct the remediation with Agency oversight reduced future risks related to its liability to an acceptable level. Uncertain about the impact of holding brownfield liabilities on GM's balance sheet, and optimistic about the potential economic value of transferring land using a proactive approach, GM moved quickly at the Baltimore site, creating a model of success for others to emulate.

CASE STUDY 2: Lakeview Bluffs



Aerial Photo of Site Pre-development and Artist Rendition Post-development

CASE STUDY 2: HEMISPHERE TEAM OVERCOMES BARRIERS TO REUSE OF MOTHBALLED WATERFRONT BROWNFIELD

The Diamond Shamrock Painesville Works property in Lake County, Ohio was mothballed and mired in litigation from 1977 until 2001 when Hemisphere Development signed a contract to clean up and redevelop the site. Hemisphere is teaming with the sports and entertainment management company IMG to create a Sports Oriented Resort Community. The project's planned mix of single family homes, townhouses, condominiums, a hotel, 18 hole golf course, vineyard, winery, fishing club and a system of public access paths will take advantage of the site's one mile of Lake Erie shoreline and two and a half miles of Grand River frontage.

Located on 1100 acres on the coast of Lake Erie and the Grand River, the former chemical manufacturing facility operated from 1912 through 1977, where it produced a variety of products including soda ash, baking soda, chromium compounds, carbon tetrachloride, hydrochloric and sulfuric acids, chlorinated wax, and coke. The land was the site of various activities over the years, including a 500 acre settling pond, a chromium production facility and a landfill.

The site is so large it spans three separate municipalities, which historically battled over development issues in the region. In 1980, U.S. EPA initiated action to remedy chromium contamination at the site, resulting in the construction of a 120 acre clay cap over the impacted area. The Ohio EPA began enforcement activities for the rest of the site in 1989. The site was initially proposed for inclusion on the Superfund National Priorities List, which guides EPA in determining which sites containing hazardous substances warrant further investigation. Parties to the action were embroiled in years of expensive and contentious litigation that never resulted in movement at the site.

Hemisphere entered into a partnership with all relevant municipalities, the Ohio EPA, Lake Metroparks and numerous other public stakeholders to create a plan for transforming the old industrial property into a mixed use and recreational facility. A key component of Hemisphere's strategy is to transform negative public perception related to the site's industrial past toward a more favorable focus on the land's unparalleled natural attributes and a groundbreaking real estate development concept.

One critical aspect in freeing the site from its mothballed status was to change the direction of the fledgling remedial plans, which were focused on achieving an industrial reuse in a region that is not expecting any significant additions to the manufacturing sector. Instead, Hemisphere and its stakeholder partners envisioned the site for a prime, mixed use, waterfront revitalization that

could command substantial value, thereby providing an incentive to the site owners and other parties to move toward site transfer. This potential realization of value – contrasted with the years of litigation cost and controversy – created a motivation for the parties to get the property into the redeveloper's hands.

Under this arrangement, the former owners and other responsible parties will be responsible for cleaning up the property to levels required for industrial use. Hemisphere will handle the incremental costs associated with bringing the cleanup to residential reuse standards. In addition, because the previous site owners had concerns about their degree of control over the property during the remediation and redevelopment of the area, the arrangement is based on a 99 year lease that gives the previous owners a degree of comfort and control due to their retention of ownership. Under the terms of the lease, Hemisphere has the right to purchase the property once redevelopment is completed and site users and development tenants are established. The deal is backed with negotiated indemnity and environmental insurance instruments.

Another key to the successful transfer of the property was the collaboration among the brownfields redeveloper, the site owners, and regulatory authorities. The State of Ohio assumed lead enforcement authority with the support of EPA Region 5. The remedy was planned to fulfill both state and federal regulatory obligations, as well as prepare the site to participate in the Ohio Voluntary Action Program as soon as the enforcement remedy is completed. Participation in the Ohio Voluntary Cleanup Program is critical, because it ensures that Hemisphere is eligible to obtain substantial funding from the "Clean Ohio Fund" to cover the incremental costs associated with cleaning up the property to residential cleanup standards.

Hemisphere's development plan was the catalyst to settling this costly and complex multi-party Superfund case, as well as a long-standing regulatory enforcement action, in an expedited fashion. As of the Fall 2007, cleanup is well under way. Hemisphere will complete the majority of required remedial activities by the end of 2007, as well as the implementation of one of the largest shoreline redevelopment projects on the Great Lakes and the construction of significant recreational amenities.

CASE STUDY 3: BROWNFIELDS TECHNICAL ASSISTANCE PROVIDERS WORK WITH EPA TO HELP LOCALITIES AND MOM-AND-POP BROWNFIELD OWNERS REALIZE VALUE

Many communities face brownfields challenges associated with mothballed properties owned by individuals and small businesses that are unwilling or unable to reuse or transfer the properties. These “mom-and-pop brownfields” may be idle because of a lack of understanding by these parties of brownfields and real estate opportunities, limited market opportunities, lack of cleanup resources, or the reluctance of the owner to sell because he or she is holding out for higher property prices. Owners of mom-and-pop brownfields may fear the consequences of opening these properties up to the public process of brownfields revitalization and many may be skeptical regarding the willingness of government officials to work cooperatively with them. Small business owners may lack the capacity or resources to address environmental problems at contaminated and idled properties. Many small businesses may not have the staff or resources to invest in managing the cleanup process or researching the tools and resources available to help them assess, remediate, and transfer contaminated property. In some cases, these mom-and-pop mothballs may stand in the way of broader community redevelopment projects along key corridors or redevelopment areas.

The keys to overcoming the challenges of mom-and-pop brownfields include education and outreach to these site owners and the local governments in which they are located, support for creating viable market reuse visions and plans, cleanup and reuse funding, and other technical and financial assistance to positively motivate these site owners to move their properties toward revitalization.

A key to these brownfields assistance resources may include a credible technical assistance provider working in partnership with local property owners. A brownfields technical assistance provider can be a broker of information and technical assistance, a means of access to public funding, and a facilitator of public-private partnerships for brownfields reuse. Such an assistance provider needs to have credibility with property owners, the private sector, and the broader community. These technical assistance providers can use EPA and state resources in locally tailored ways to help broker brownfield deals with mom-and-pop site owners.

These brownfield technical assistance providers can take a variety of forms, including local environmental extension centers, regional economic development districts, nonprofit brownfield foundations, state or regional economic development entities, regional business associations, or even private land use consultants supported with public funding. What is common to all these entities is that they adopt a cooperative, stakeholder based approach to educating site owners and local businesses about the opportunities for brownfields reuse; they provide effective brownfields outreach and education; they act as brokers and facilitators of resources; they serve as liaisons to local, state and federal government programs; and they help identify and develop market opportunities for site owners.

This case study examines the critical role of four different but similar types of brownfields technical assistance providers – a local environmental extension service in King County, Washington; a nonprofit rural economic development center helping localities in North Carolina; an Urban Land Institute chapter working with private consultants in Charles Town and Ranson, West Virginia; and the Colorado Brownfields Foundation.

ECOSS Environmental Extension Center in King County WA

The Environmental Coalition of South Seattle (ECOSS) is a nonprofit educational organization designed to assist businesses and the community with environmental and economic development issues. ECOSS has established an Environmental Extension Service that works cooperatively with the government, businesses, community and environmental interests in the Puget Sound Region.

The Environmental Extension Service is successful in helping small businesses understand and address brownfields issues. It helps small businesses navigate the road to property cleanup, which can be confusing and often seems unnecessarily expensive and time consuming. Moreover, the Extension Service helps businesses understand that by finding and eliminating contamination, they can reduce their legal liability and preserve the value of their real estate.



ECOSS Staff at Brownfield Site

The Extension Service provides free consultations and assistance to small businesses and individuals. The assistance is tailored individually for each business, including conducting research and assessments on a property's contamination history, making referrals to environmental consultants, interpreting consultant reports, recommending cleanup strategies, finding tenants for newly cleaned properties, helping develop and implement stormwater management plans, assisting with environmental compliance, and accessing public sector grants and technical assistance.

EPA Brownfields grants helped to launch the Environmental Extension Service's brownfields assistance work. King County continues to use a significant portion of the EPA Brownfields grant funding it receives to support the assessment work performed by the Extension Service.

NORTH CAROLINE RURAL ECONOMIC DEVELOPMENT CENTER – AND THE BUILDING REUSE & RESTORATION PROGRAM

North Carolina is in the midst of an economic restructuring following more than 30 years of manufacturing closures and job losses. North Carolina's small towns suffered serious economic blows in recent years. Many lost their economic base as manufacturing plants closed, the number of small farms declined, and locally owned businesses, including main street stores, disappeared. Hurricanes, floods and winter storms destroyed homes and businesses, and state budget shortfalls led to additional loss of revenues. The hardest hit small towns are seeing their tax bases erode, making it difficult to provide basic services and nearly impossible to plan for new growth and development. As a result of these combined pressures, the future of many small towns appears bleak.

Whether it's an empty storefront on Main Street or a shuttered factory out on the highway, vacant buildings serve as daily reminders of the economic hardships being visited upon small towns throughout North Carolina. They are a source of discouragement to local residents and to anyone considering starting a new business. But these buildings also represent a town's redevelopment potential. If they are restored, renovated, and equipped, they can once again become thriving

centers of commerce, creating jobs and adding much needed tax base for struggling communities.

A nonprofit center based in Raleigh called the North Carolina Rural Economic Development Center helps boost economic revitalization in the state's 85 rural counties by conducting research into rural issues, advocating for policy and program innovations, and building the productive capacity of rural leaders, entrepreneurs and community organizations. (See www.ncruralcenter.org for more information). The NC Center operates a "Building Reuse and Restoration Program" that assists communities and small businesses in transforming the potential these buildings represent into economic reality. Grants help local governments prepare the buildings for reuse by new and expanding businesses. The Rural Center oversees the program and has received \$40 million in funding from the North Carolina General Assembly.

The Building Reuse program provides predevelopment grants of \$25,000 to cover the costs of studies and other activity necessary to secure commitments from a business or investors for the reuse of vacant and blighted buildings. Development grants of up to \$400,000 are awarded to projects ready for reuse and must be matched by at least an equal amount of private and public funds. Awards are limited to local governments in rural counties or the most economically distressed urban areas, with priority given to towns with fewer than 5,000 people. Examples of NC Center grants include \$150,000 to the City of Albemarle for the reuse of the Lillian Mill building, a 42,000 square foot manufacturing facility that closed in the early 1970s, that will now house a mix of offices, retail and living space. The NC Center also provided \$250,000 to the Town of Forest City for the reuse of the Cone Mills/Florence textile plant as a mixed use development with a total investment of \$20 million. The complex, with a restaurant, bookstore, movie theater, meeting facilities, hotel, museum and housing, will create 50 jobs and spur on the redevelopment of other historic buildings near the mill.



Aerial Photograph of Cone Mills / Florence Textile Plant Prior to Redevelopment

An important role of the NC Center's programs with respect to mothballed brownfield sites is that the Building Reuse effort helps create "market pull" in localities that struggle with economic stagnancy. The predevelopment and restoration grants from the NC Center help create community consensus on reuse plans, identify highest and best uses for particular sites, and create interest by potential investors and redevelopers in reuse. These issues are typically more complex for contaminated properties. Such economic development momentum can be critical in providing confidence to the individuals and businesses that own these long vacant sites that there is value in taking on the challenges of cleanup and restoration. With hope for real estate and market opportunities created by the proactive efforts that are enabled with Rural Center grants, site owners often become less reluctant to discuss site transfer.

PRIVATE SECTOR LEADERS WORK WITH LOCALITIES TO CREATE A MARKET FOR REUSE FOR MOM-AND-POP BROWNFIELD OWNERS IN CHARLES TOWN, WV

The cities of Charles Town and Ranson, West Virginia initiated a project to revitalize a blighted corridor of brownfields in the center of downtown into a new “Commerce Corridor” of mixed use development. Technical assistance from private sector organizations, as well as support from EPA brownfields resources, are critical to this success, particularly by helping small owners of mothballed brownfields properties and redevelopers realize the potential for transfer and redevelopment.

Two key parcels at the center of the corridor have been “mothballed” for decades, held by families that were unable and uninterested in sale or redevelopment. One site is a century old industrial scrap yard tainted with lead, petroleum, and other metals contamination. The second is a granary complex that has been subject to state emergency removal actions due to petroleum and pesticides contamination. The family and individual owners of these sites were reluctant to revitalize the properties based in part on a lack of experience in real estate and brownfields development, a lack of faith in their ability to collaborate with the local government, and a listless downtown market for reuse.

Using EPA Brownfields assessment grant funding, the cities of Charles Town and Ranson were able to engage these site owners and the broader community in a process to create a reuse vision for this brownfield corridor, to educate stakeholders on opportunities, and to prime the market for reuse. First, Charles Town and Ranson officials worked with these owners to convince them of the value of conducting environmental assessments on the properties to understand and manage the potential risks at the sites. Both property owners agreed to allow the local government to perform Phase I and Phase II environmental assessments on their properties.

Next, the cities used EPA brownfield grant monies and other resources to create a plan for matching the highest and best market uses for these sites to the physical conditions of the sites and the surrounding development context. The community conducted planning charrettes, highest and best use analyses, market feasibility studies, and reuse planning. The owners of the brownfields sites and other stakeholders were invited to participate in all of these activities, which helped them realize the potential opportunities for revitalization.



The Granary Complex, Prior to Redevelopment

A key step was a project in partnership with the Urban Land Institute (ULI) Washington, a district chapter of the Urban Land Institute, which is a nonprofit research and education institute focused on urban revitalization. ULI Washington convened a “technical assistance panel” (TAP) of ten experts in the field of development, finance, real estate, and brownfields. The ULI TAP

panel engaged with the cities and brownfields stakeholders to define a set of issues and objectives for analysis. The TAP panel convened in the community for three days, met with stakeholders, debated reuse prospects, and established a set of reuse recommendations. Several weeks after this on site forum, the ULI provided the locality with a comprehensive report with reuse recommendations. The report confirmed and enhanced the reuse planning that already was conducted by the community using brownfields resources.

At the beginning of the localities' EPA funded brownfield project, one community official asked a local developer whether he would work with the owners of the mothballed scrapyard and granary to seek redevelopment. The local developer replied, "Those sites are contaminated and worthless. Why would I want to get involved in another Love Canal?" At the conclusion of the ULI forum, that same developer, who had attended all of the brownfields reuse planning activities in the community together with the brownfield site owners, stood up and said, "I am convinced that this brownfield project holds the future to the Charles Town community. I am investing and moving forward." He purchased the industrial scrapyard, created a remedial plan in cooperation with state officials, and prepared the site for redevelopment. In August 2007, the City of Charles Town approved final site development plans for a "Gateway Technology Center" that will house high tech commercial office tenants. A groundbreaking is planned for fall 2007. In the meantime, the local entrepreneur is engaging in talks with the family that owns the brownfield granary about expanding the commercial redevelopment.

In this case, small property owners, an inexperienced local government, and reluctant investors who had given up on this downtown corridor came together to create a reuse vision that is now being implemented. This transformation in thinking was fueled by EPA brownfield grant resources that enabled private sector organizations such as the Urban Land Institute to conduct reuse planning, outreach, education, and environmental assessments that created a market for revitalization and gave parties the confidence to move forward.



Artist Rendition of Potential Redevelopment in Charles Town / Ranson, WV

COLORADO BROWNFIELDS FOUNDATION PROVIDES STRATEGIES, INFORMATION, FINANCING, AND PROPERTY TRANSFER ASSISTANCE TO SITE OWNERS

The Colorado Brownfields Foundation (CBF) is another example of a local brownfields technical assistance provider that has credibility with small businesses, as well as strong ties to state and EPA brownfields programs.

CBF programs include strategic services through an environmental extension program, gap financing services, information services, and property transfer assistance services. This range of services includes an on-call brownfields coordinator, information on land use models, identification of relevant grants and financing options, a federal, state and local intergovernmental liaison, and coordination for environmental contractors and related services. CBF also provides information on environmental insurance and technical assistance on effective property transfer to owners and buyers.



CASE STUDY 4: Dow Chemical Company Sustainability Project

The Dow Chemical Company, as part of an overall corporate sustainability initiative, is working jointly with the Region 5 Office of the U.S. Environmental Protection Agency on a project to encourage reuse of Dow's underutilized properties. This Dow Brownfields Sustainability Project seeks to engage government regulatory officials in a pro-active process to strategically direct Dow's contaminated sites into tailored regulatory programs to allow the implementation of timely remedies that match reuse goals.

Dow has embarked on an overall initiative for sustainability. Dow's "Guiding Principles of Sustainability" call for measurement and transparency, eco-efficiency, meeting stringent state and local cleanup standards, raising overall industry standards, stakeholder dialogue and partnerships, employee and public outreach, and quality of life through environmentally sustainable economic development. Dow set a goal of 2015 to reach a variety of specific sustainability goals and initiatives.

To incorporate the productive reuse of contaminated properties as part of this overall Sustainability initiative, Dow approached EPA's Office of Solid Waste and Emergency Response and then EPA Region 5 in November 2006 with a proposal to remediate and make their sites available for reuse in a way that is sustainable, is protective of human health and environment, creates assets for communities, and is cost effective for the company.

EPA and Dow held three formal meetings and several conference calls to move forward on the initiative. A prime objective of the collaboration is to determine a strategy under which Dow can voluntarily bring idled and contaminated facilities into the optimal regulatory programs, whether it is RCRA facility lead corrective action, a federal brownfields program, or a state led regulatory or voluntary cleanup programs. The effort will be designed to seek consensus on the regulatory approach, to convene adequate personnel and resources from the regulatory agencies and Dow to conduct the regulatory process, and to seek expedited timeframes for remedy and reuse.

Dow and EPA agreed on three Dow facilities located in EPA Region 5 to use as pilots for the project. Dow is evaluating potential site strategies that integrate remediation and reuse goals for each of the facilities. In addition, Dow is working with EPA to outline a process to document the "life cycle" of steps and decisions associated with closing and revitalizing a facility. The decision process is intended as a tool to determine a range of factors such as reuse potential and environmental issues to "sort" other Dow facilities for reuse potential. The facility evaluation process is being discussed in some detail and a first draft is being developed.

The project is making progress with reuse plans under development by Dow for their Bay City, Michigan and Crest Hill, Illinois facilities. The Dow Kankakee, Illinois facility also is being discussed for participation in the project after operations at the facility are shut down.

The Bay City facility is a RCRA federal lead corrective action project that has progressed to the remedy selection phase. The reuse plan will most likely include multiple land uses including recreational, residential, environmental habitat and light industrial. Dow is also looking at ways to provide access to a historic lighthouse, which is an important cultural resource to the community. The RCRA corrective action project manager is working closely on this project to ensure that all requirements are met, while providing the flexibility for the proposed reuse of the property. The parties anticipate a final plan and Statement of Basis will be achieved by March of 2008.

The Crest Hill facility is a small facility with a landfill as the primary environmental concern. The facility is subject to RCRA corrective action and will become a federal lead voluntary cleanup. Dow and EPA Region 5 are in discussions with the Mayor of Crest Hill who is excited about the potential redevelopment of this facility which is located on the main road into town. The parties believe that the issues related to the Crest Hill facility are manageable and a final decision could come as soon as early 2008.

Dow and the EPA Region 5 are discussing expanding the company's brownfields sustainability project to include one or more additional facilities. The parties also will plan to apply the evaluation process to several Dow facilities to both test it and potentially select additional facilities for reuse planning.

U.S. Environmental Protection
Agency
Mothballed Properties
Case Studies

Solid Waste
and Emergency
Response

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